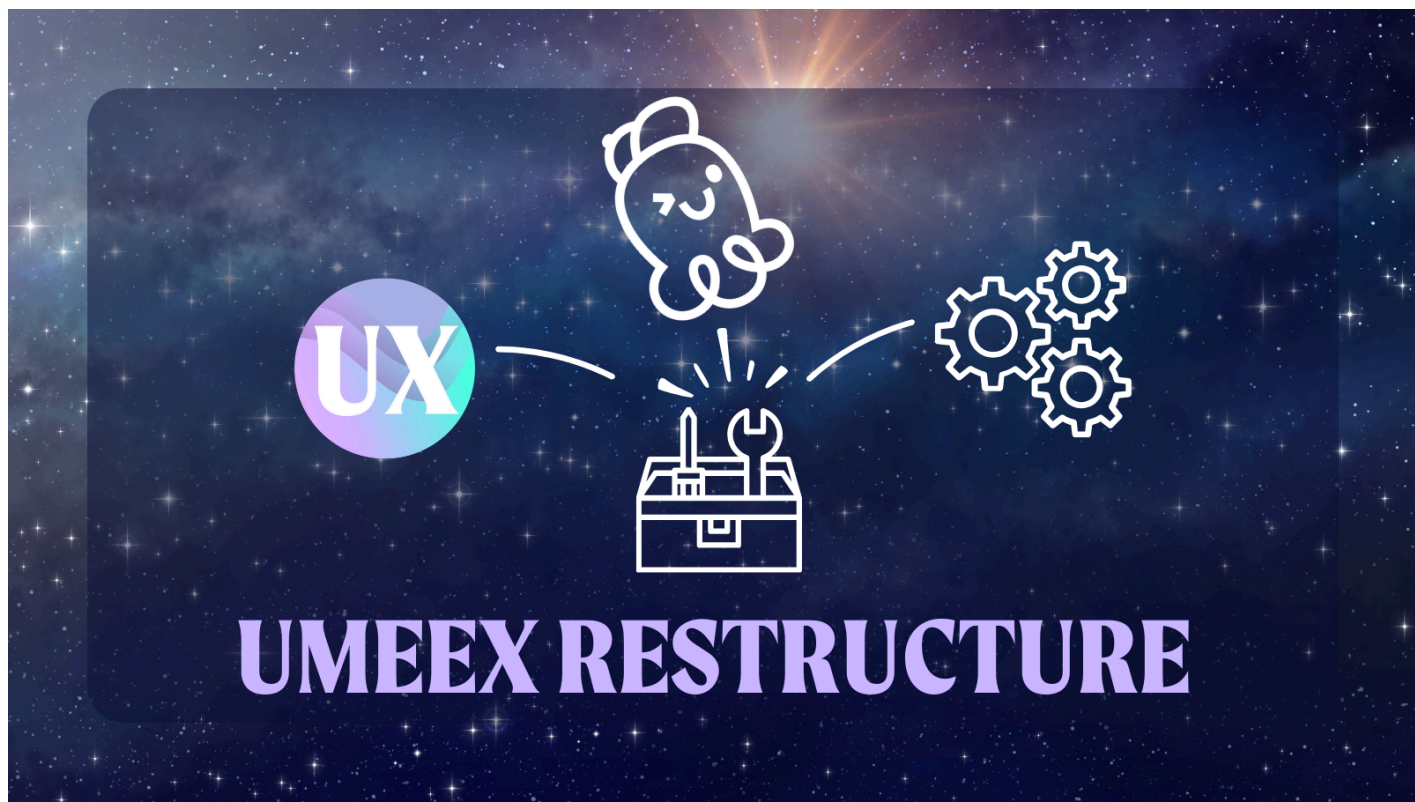


# UX Restructure Announcement

We're excited to share some important updates with you regarding our project's identity and token structure going forward. Read on to learn more!

By Brent Xu

Share: [!\[\]\(c3d993ca47bfe2a953c700506ce31fa0\_img.jpg\)](#) [!\[\]\(c468cde8f04e2e2a6ba3c2a373e05c45\_img.jpg\)](#) [!\[\]\(bb556800b100164a948e6987b050d670\_img.jpg\)](#)



Dear Umee Community Members,

We hope this message finds you well. Today, we have some important updates to share with you regarding our project's identity and token structure.

This includes a major structural upgrade as well as economic developments for the Umee chain ecosystem.

## Tokenomics Restructuring

To better align the Umee token's emission schedule with the function of the token and the current market environment, we have introduced a new inflation mechanism in a recent update:

- We've set the max inflation to a max supply of 21 billion UMEE (the supply today is around 12.2 billion):
- We've adjusted block rewards to never exceed 21 billion UMEE.
- We've introduced an inflation cycle which is initially set to 2 years, and is controlled by UMEE governance. In each inflation cycle, the yearly total amount of newly emitted tokens is a variable as per the x/staking Cosmos SDK module. After each inflation cycle, the inflation rate is reduced by 25%.

We've made additional adjustments to the existing parameters:

- Inflation\_min 7% → 5.25%
- Inflation\_max 14% → 10.5%
- Inflation rate change speed is adjusted from 1 year to 6 months.

This means that the UMEE token has transitioned to a fixed supply compared to the infinite supply from the previous network configuration.

The general trajectory of this inflation transition means that the network would likely reach the range of the max supply within the next 9-12 years.

Of course, at any time, Umee governance can vote to modify this inflation schedule if the external environment changes materially and requires a different plan.

## The Token Burn Event

We have gathered a lot of community feedback on tokenomics. In the spirit of community alignment, we'll be having a massive token burning event!

The chain will burn up to a total of 1 billion UMEE tokens from the early backers and founders allocation, reducing the overall liquid supply and potentially enhancing the value for our community. This constitutes an almost 10% burn of the total token supply.

This token burn event will occur throughout the next 6 month period leading up to the 2nd anniversary of the launch of the Umee chain and every burn event will be managed through the governance process of the Umee chain.

Be on the lookout for more details to come!

## Governance Drop Program

In the spirit of decentralization, we're also putting together a Governance Drop program. This means that contributing members of the community and other chains in the overall Cosmos and DeFi ecosystems will have the opportunity to manage a portion of Umee governance.

This governance drop program will target key projects and stakeholders throughout the Cosmos, Ethereum and beyond!

We'll keep you updated as we set this program up for maximum decentralization with regard to the future governance of the Umee chain.

## Umee is now the UX Chain

We are thrilled to announce that we are changing the name of the Umee Chain to the UX Chain, which stands for UmeeX. This change reflects our commitment to providing an exceptional user experience and simplifying our branding.

In alignment with our new identity, we will be changing our token's symbol to UX. The UX token exemplifies the future outlook of the UmeeX Chain, highlighting our continued dedication to innovation within the blockchain space.

Why the change? This transition is driven by two key factors:

- Disambiguation: We want to clearly differentiate our blockchain technology from our team. The new name and token symbol help avoid any potential confusion in the future.
- Legal and Trademark Reasons: To protect our project and community, we are making this change to ensure compliance with legal and trademark requirements.

## What's Next?

Stay tuned for more details regarding these developments. We will provide you with all the information you need to fully participate and benefit from this exciting initiative.

This transformation marks a pivotal moment in our project's journey, and we are grateful for your continued support. We believe these changes will strengthen our position in the blockchain space and create a more transparent and secure ecosystem for everyone.

Thank you for being part of the Umee community. Together, we will shape the future of blockchain technology.

Best regards,

The Umee Team.